



APPENDIX A

GAAP FUND CODES USED IN DFMS

A. GAAP FUND DEFINITIONS

The following defines the GAAP fund accounts utilized by the State under DFMS:

1. General Fund - (100 Series)

The General Fund is to account for all revenues and all disbursements not provided for in other funds. The General Fund is used to finance the ordinary operations of governmental agencies.

In Delaware, these governmental agencies include: Legislative, Judicial, Executive, Other Elective Offices, Legal, Department of State, Department of Finance, Department of Administrative Services, Department of Health and Social Services, Department of Services to Child/Youth/Families, Department of Correction, Department of Natural Resources and Environmental Control, Department of Public Safety, Department of Transportation, Department of Labor, Department of Agriculture, Department of Elections, Fire Prevention Commission, Delaware National Guard, Advisory Council for Exceptional Citizens, and Public Education (including School Districts).

- a. General Fund except TTF - 100
- b. Transportation Trust Fund - 101

2. Special Revenue Funds - (200 Series)

The Special Revenue Funds are to account for the proceeds of specific revenue sources (other than special assessments, expendable trust, or for major capital projects) that are legally restricted to expenditure for specified purposes.

Special Revenue Funds are identified as:

- a. Federal Funds - 225

The Special Revenue Funds include Federal grant funds used for specific grant projects, except for Federal highway construction funds received by the Department of Transportation; these funds are included in the Capital Projects Funds.

- b. Federal Fund Distribution - 226

The Special Revenue Funds include a temporary account used for the allocation of specific federal funds.



c. Local School Funds - 270

Special Revenue Funds are also used to account for those receipts from other sources whose use is restricted. Tax revenues of the local school districts are accounted for in a Special Revenue Fund.

3. Capital Projects Funds - (300 Series)

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds, special assessment funds and trust funds). These facilities include those provided to political subdivisions and other public organizations. These resources are derived principally from proceeds of general obligation bond issues and Federal grants.

a. Capital Projects except TTF - 300

b. Transportation Trust Fund - 301

4. Debt Service Funds - (400 - Series)

Debt Service Funds are to account for the accumulation of resources for and the payment of general long-term debt principal and interest. This excludes such long-term obligations as capital leases and unfunded retirement costs whose current portions are paid out of the General Fund. Debt Service Funds are identified as:

a. State - 425

Debt service fund used to account for the State's portion of State general obligation and capital improvement bonded indebtedness.

b. Local - 450

Debt service fund resources include transfers from local school districts to cover an agreed-upon portion of long-term debt incurred for local school district capital projects.

5. Proprietary Funds - (600 and 700 Series)

Proprietary Funds is the umbrella term covering Enterprise Funds and Internal Service Funds. These funds are used to account for those ongoing activities of the State which are similar to those found in the private sector. The emphasis of reporting is on net income measurement and capital maintenance. The GAAPs which are applicable to these funds are those used in similar enterprises in the private sector. The measurement of focus is on the determination of net income, financial position and changes in financial position.



a. Enterprise Funds - (600 Series)

Enterprise Funds account for operations which are financed like private business enterprises. The government's intent is that the cost of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are also used where the government has decided that periodic determination of revenues earned, expenses incurred, and net income received, is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Enterprise Funds are identified as:

Housing 650

Lottery 660

b. Internal Service Funds - (700 Series)

Internal Service Funds are to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units on a cost-reimbursement basis. The state has no internal service funds at this time.

6. Fiduciary Funds - (800 Series)

Fiduciary Funds is an umbrella term for Pension Trust Funds, Non-Expendable Trust Funds, Expendable Trust Funds and Agency Funds. These funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

a. Expendable Trust Funds - (800 - 839)

Expendable Trust Funds are funds whose principal and income may be expended in the course of their designated operations. These funds are most often used to account for income amounts transferred to them from non-expendable trust funds. Expendable Trust Funds should be limited to use in instances where a legally-mandated or a formal, legal trustee relationship exists.

Expendable Trust Funds are used to account for assets held by the State in conjunction with the violent crimes compensation fund and the State-supported museums. Additionally, pursuant to a tentative recommendation in Preferred Accounting Practices for State Governments, the financial activity relating to unemployment compensation is accounted for within an Expendable Trust Fund. Expendable Trust Funds are identified as:

Employment Security 810

Violent Crimes 820

Trust Funds 824



Patients Trust	830
Other Expendable	839

b. Non-Expendable Trust Funds - (840-845, 847-849)

Non-Expendable Trust Funds are funds whose principal must be preserved intact. Most often Non-Expendable Trust Funds are used to account for the principal portion of endowments provided to a government by private donors with the stipulation that their principal be preserved intact. Non-Expendable Trust Funds are identified as:

(1) Pension Trust Funds - 845

Pension Trust Funds are used to account for public employee retirement systems. Pension Trust Funds are used to account for the assets, liabilities, fund balance and transactions of the various State public employee retirement systems.

(2) Highway Escrow - 847

The Highway Escrow Account is a fund to account for collection of receipts of deposits from contractors held in trust as a guarantee to insure that specific contractual specifications and conditions for construction have been met in accordance with highway guidelines and procedures.

(3) Other Non-Expendable - 849

Any other Non-Expendable Trust Fund not accounted for in any of the above accounts

c. Agency Funds - (846, 850 - 899)

Agency Funds are purely custodial; assets equal liabilities and no fund balance exists. They, therefore, do not involve the measurement of the results of operations. Agency Funds are used to account for monies and properties collected by the State for distribution to other governmental units or designated beneficiaries. The monies arise from various taxes, deposits, payroll withholdings and other sources. The State is acting merely in the capacity of an agent. Agency Funds are identified as:



The Deferred Compensation Program is a voluntary investment plan which enables State employees to supplement their eventual retirement income. No State or Federal income taxes are owed on that portion of employees' income which is deferred (retained by the State) until employees retire or leave State service. That postponement of income tax payment is made possible because the State is deemed to own and control assets purchased with deferred income until program participants leave service and ask for the cash surrender value of assets.

Group Life Insurance	851
Social Security	852
Health Insurance	853
Withholding Tax	854
Child Support Collections	855
Division of Revenue	856
(Contractors Tax Liability Fund)	
Other Agency	899

7. University and College Funds - (900 - 924)

The financial position and results of operations of State universities and colleges, including their foundations and associations, are accounted for in accordance with existing authoritative accounting and reporting principles applicable to universities and colleges. In Delaware, the University and College Funds include:

Delaware State College 910

Delaware Technical and

Community College 920

The University and College Funds are an aggregation of the following individual fund types:

a. Current Funds

Current Funds account for economic resources of the institution which are expendable for any purpose in performing the primary objectives of the institution and which have not been designated by the governing body for any other purpose. Resources restricted for specific current operating purposes by a donor or other external agency are accounted for as restricted funds.



b. Loan Funds

Loan Funds account for resources available for loans to students, staff or faculty.

c. Endowment and Similar Funds

Endowment and Similar Funds are similar to trust funds in that they must be administered in accordance with the terms of the applicable agreement.

d. Plant Funds

Plant Funds consist of resources available to acquire or repair institutional properties, to serve debt incurred to acquire such properties and to the cost of fixed assets and the sources from which the cost is funded, including associated liabilities.

e. Agency Funds

Agency Funds consist of funds held by the institution, acting in the capacity of an agent, for distribution to designated beneficiaries.

f. Foundations

Foundations have been established to promote and serve the interest and welfare of their respective universities.

8. Account Groups

Account Groups are used to establish accounting control and accountability for the government's general fixed assets and the unmatured principal of its general, long-term debt. These account groups are not funds, but are accounting records and records of certain associated information. Adequate accounting records for general fixed assets are necessary to help assure that governmental property, plant and equipment are not stolen, misused, or subjected to undue wear and tear. Also, adequate accounting records help fix the stewardship responsibility for particular assets on individual government officials. Adequate accounting records for general, long-term debt are necessary to help manage the debt and its repayment.

Neither general fixed assets nor general, long-term debt are accounted for in governmental funds because they do not reflect available financial resources and related liabilities.

a. General Fixed Assets Account Group - 925

General Fixed Assets included in the Account Group reflect general fixed assets acquired or constructed for use by the State in the conduct of its activities; except for those fixed assets accounted for in proprietary, fiduciary and university and college fund types.



General Fixed Assets do not represent financial resources available for expenditure. Rather, they are items for which financial resources have been used and for which accountability should be maintained. Their inclusion in the financial statements of a governmental fund would increase the fund balance and could mislead users of the fund balance sheet. Delaware has not at this time accumulated the detailed records necessary to establish the General Fixed Assets Account Group. This does not have any effect on fund balances reported for the various funds.

b. General Long-Term Debt Account Group - 950

All unmatured, long-term indebtedness of the government, not related to specific funds, should be accounted for in the General Long-Term Debt Account Group. General Long-Term Debt includes the unmatured principal of bonds, warrants, notes or other forms of non-current or long-term, general obligation indebtedness.

This general, long-term debt is secured by the general credit and revenue-raising powers of the government rather than by the assets acquired or specific fund resources. General, long-term debt is not necessarily limited to liabilities evidenced by formal debt instruments. It may also include long-term liabilities arising from lease-purchase agreements, installment purchase contracts, judgments and claims, and accumulated unpaid vacation, sick pay and other employee benefit amounts. The unmatured principal of general, long-term debt does not require current appropriation and expenditure of governmental fund financial resources. It would be misleading to include the unmatured principal of general, long-term debt among the liabilities of governmental funds.

This account will include debt payments of the Public Building in Wilmington and any default bonds held by Delaware Development Office.

B. TABLE OF ACCOUNTS

The Fund Type presents how the various funds are summarized for financial reporting purposes.

These GAAP funds must be established for departments/agencies before they can be used. If departments/agencies are unsure of what fund to use, contact the Manager of the Financial Analysis and Reporting Section, Division of Accounting.



Governmental Fund Types	Fund Type	Fund
General Fund	G	
General Fund Except TTF		100
Transportation Trust Fund		101
Special Revenue Funds	R	
Federal Funds		225
Federal Pool Account		226
Local School Funds		270
Capital Projects	C	
Capital Projects except TTF		300
Transportation Trust Fund		301
Debt Service Funds	D	
State		425
Local		450
Proprietary Funds		
Enterprise Funds	E	
Housing		650
Lottery		660
Fiduciary Fund Types		
Expendable Trust	T	
Employment Security		810
Violent Crimes Compensation		820
Trust Funds		824
Patients' Trust		830
Other Expendable		839
Non-Expendable Trust	T	
Pension Trust		845
Highway Escrow Account		847
Other Non-Expendable		849
Agency Funds	A	
Deferred Compensation		846
Group Life Insurance		851
Social Security		852
Health Insurance		853
Withholding Taxes		854
Child Support Collection		855
Division of Revenue (Contractors Tax Liability)		856
Other Agency Funds		899



University and College Fund Types	Fund Type	Fund
College and University Funds	U	
Delaware State University		910
Account Groups	Fund Type	Fund
General Fund Asset Account Group	F	925
General Long Term Debt Account Group	L	950